



CENTER FOR VETERANS ENTERPRISE

PROCEDURE

Examination

Document Version 2.1

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Approval

This Procedure titled “Examination” is approved effective **02/01/2013**.

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| _____ Task Lead (signature) | _____ (print) | _____ (date) |
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| _____ QA (signature) | _____ (print) | _____ (date) |
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| _____ Director, CVE (signature) | _____ (print) | _____ (date) |
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1. Introduction

1.1 Purpose

The purpose of the Examination process is to 1) ensure that applicants satisfy the regulatory requirements for verification as either a Veteran-owned or Service-Disabled Veteran-owned small business under 38 CFR Part 74

1.2 Scope

This process applies to all incoming Verification program applications which have been through the Initiation process.

1.3 Roles

Examiner: Member of the Examination Team; carries out the steps of this process.

Examination Supervisor: Supervisor of the Examination Team.

1.4 Definitions and Acronyms

SAM: System for Award Management

D&B: Dun & Bradstreet

DSBS: Dynamic Small Business Search

Manta: An online community that helps small businesses “profit, connect, and grow.”

VIP: Vendor Information Pages

1.5 References

38 CFR Part74: Veterans Small Business Regulations

Office of Acquisition and Materiel Management Information Letter dated March 9, 2006 (IL049-06-4)

AO49 Interim rule dated 27 June 2012

Public Law 111-275: Veterans Small Business Verification Act

1.6 Revisions

| Revision Number | Date of Issue | Author(s) | Brief Description of Change |
|-----------------|---------------|-----------|-----------------------------|
|-----------------|---------------|-----------|-----------------------------|

| Revision Number | Date of Issue | Author(s) | Brief Description of Change |
|-----------------|---------------|-----------|---|
| 1.0 | 7/09/2012 | | Initial SOP |
| 2.0 | 7/23/2012 | | Incorporated AO49 Interim rule and added JV |
| 2.1 | 2/1/2013 | | Updated SAM information. Added draft letter information. Removed duplicate appendix |

2. Processing

2.1 Entry Criteria

| Details of Entry Criteria |
|---|
| <ul style="list-style-type: none">Application is determined to have completed the Initiation Process. |

2.2 Inputs

| Input | Description / Remarks |
|---|---|
| <ul style="list-style-type: none">Initiation Team places application in Examination Quere | <ul style="list-style-type: none">Initiation has completed its processing and is passing the application with complete docs to Examination. |

2.3 Exit Criteria

| Details of Exit Criteria |
|---|
| <ul style="list-style-type: none">An Additional Document Request is pending and application is being returned to Initiation.Examination of application is completed. |

2.4 Outputs

| Output | Description / Remarks |
|---|---|
| <ul style="list-style-type: none">Application sent to Evaluation for Further review or Site Visit | <ul style="list-style-type: none">Examiner makes recommendation for Site Visit or Further review. |

3. Procedures

- a. Log onto VIP, if not already there.
- b. Enter the DUNS number and click “Search.”

Step 1 The Examiner checks the 0877 Form.

- a. Click on the Business name. This brings up “Business Information” under “Business Summary” on the Vendor Information Pages (VIP) for the applicant, on a separate browser page.
- b. Click on the “eye” icon in front of each Business Owner name.
- c. View the 0877 Form and note the Veteran Status for each owner.

Step 2 The Examiner makes sure the Aging Timer is running.

- a. If it is not started, manually start it.

Step 3 The Examiner performs the Business Review (Public Research) for the applicant.

- a. Click on “Business Review” along the left side of the screen. This will bring up a set of tabs: VIP, Business License, CCR/ (replaced by) SAM, DSBS, D&B/Lexis Nexis, ORCA, USA Spending, and Company Website.
 - b. Complete every field under each tab, and then check the “Verified” checkbox. Any key issues or “red flags” identified during the public research should be detailed in the Notes section of each applicable tab. After completing all the data fields under each tab, click the Save Changes

box located at the bottom of the each page. Refer to the table in Appendix A for the sources of information and the objectives in examining this data.

Information Required from VIP Profile

Information Required from Business License

Information Required from CCR/ (replaced by) SAM

Information Required from SBA-DSBS

Information Required from D&B Website or the Lexis Nexis Report

Information Required from ORCA website

Information Required from USA Spending

Information Required from Company Website

Step 4 The Examiner completes the Examination Review Sheet (Appendix A) for the Applicant. He/she does the following to answer the questions:

- a. Review the tables of documents required for each business entity type in Appendix B.
- b. Review all company-supplied documentation.
 - i. Click on the “Document Review” tab.
 - ii. Select and open the appropriate document to be reviewed.

Step 5 The Examiner sends the application to the Evaluation Team and annotates the Remarks section to that effect.

APPENDIX A

SOURCES AND OBJECTIVES FOR PUBLIC RESEARCH

| RESEARCH SOURCE | OBJECTIVE(S) |
|---|---|
| CVE VetBiz Vendor Information Pages | <ul style="list-style-type: none"> • Verify consistency in Applicant information • Identify any Joint Ventures |
| Central Contractor Registry (CCR)/(replaced by) SAM | <ul style="list-style-type: none"> • Verify consistency in Applicant contact information • Identify business type • Identify socio-economic categories claimed • Identify 8(a)/certified SDB exit dates, if applicable |
| Small Business Administration's (SBA) Dynamic Small Business Search (DSBS) Web site | <ul style="list-style-type: none"> • Verify consistency in Applicant contact information • Verify consistency in business type • Identify socio-economic categories claimed • Identify 8(a)/certified SDB exit dates, if applicable |
| Dun & Bradstreet (D&B) Web site | <ul style="list-style-type: none"> • Verify consistency in Applicant information • Review information on liens, suits, etc. • Review ownership/management information • Review financial information • Review state registration information |
| Online Representations and Certifications Application (ORCA) Web site | <ul style="list-style-type: none"> • Verify if Applicant claims VOSB/SDVOSB status • Verify consistency in Applicant information including certifications and business representations. • Review claims of woman-owned small business (WOSB), especially if majority owner is male |
| USA Spending Web site | <ul style="list-style-type: none"> • Obtain award values for all Applicant's contracts, as well as VA contracts |
| Google Search | <ul style="list-style-type: none"> • Verify consistency in Applicant information |

| RESEARCH SOURCE | OBJECTIVE(S) |
|---|---|
| Applicant's business Web site | <ul style="list-style-type: none"> • Verify consistency in Applicant information |
| Manta Web site | <ul style="list-style-type: none"> • Verify consistency in Applicant information |
| 411 web site | <ul style="list-style-type: none"> • Verify consistency in Applicant information |
| Excluded Parties List System (EPLS) web site | <ul style="list-style-type: none"> • Check if any of the Applicant or any owners appear in the EPLS (recheck in case information has changed since Stage 1 processing) |
| Secretary of State web site (currently reviewed by examiner during examination sub-process) | <ul style="list-style-type: none"> • Verify good standing of Applicant • Check for any organization documents |

APPENDIX A

Examination Review Sheet

Applicant Name:

DUNS:

Primary line of work:

Ownership: (Name, %, Veteran Status):

Examiner Name:

Date of Examination:

Quality Check:

GENERAL

Legal Organization of Applicant

Issue satisfied?:

- **Requirement:** The applicant must be legally organized to do business in its state of incorporation.
- **Reference:** 38 CFR § 74.1 (def of small business concern); FAR 19.001
- **Possible documents to review:** Articles of Incorporation/Organization; Business License; State corporation records (online)
- **Pay attention to:** status of applicant with state of incorporation
- **Summary of findings:**

OWNERSHIP

Majority Ownership by Veteran

Issue satisfied?:

- **Requirement:** One or more Veterans must own at least 51% of the applicant concern.
-

- **Reference:** 38 CFR § 74.3
- **Possible documents to review:** Stock Certificates; Stock Registers/Ledgers; Schedules K-1; Bylaws/Operating Agreement
- **Pay attention to:** history of stock ownership and transfers
- **Summary of findings:**

Direct & Unconditional Nature of Veteran Ownership

Issue satisfied?:

- **Requirement:** One or more Veterans must directly & unconditionally own at least 51% of the applicant concern
- **Reference:** 38 CFR § 74.3(a) & (b)
- **Possible documents to review:** Stock Certificates; Stock Registers/Ledgers; Schedules K-1; Bylaws/Operating Agreement
- **Pay attention to:** ownership by another entity; ownership held by trust; ownership by ESOP; transfer restrictions
- **Summary of findings:**

Community Property Issues

Issue satisfied?:

- **Requirement:** A Veteran's ownership interest in the applicant may not be held as community property.
- **Reference:** 38 CFR § 74.3(f)
- **Possible documents to review:** 1040 personal tax returns; any documentation indicating that the ownership interest is held as separate property (such as a spousal waiver of property interest)
- **Pay attention to:** community property rules
- **Summary of findings:**

CONTROL

Day-to-Day Control

Issue satisfied?:

- **Requirement:** One or more Veterans must control the day-to-day operations of the applicant.
- **Reference:** 38 CFR § 74.4(a)
- **Possible documents to review:** Contracts; Cancelled Checks; Bank Signature Card; Bylaws/Operating Agreement; Lease; franchise agreement; online research results

- **Pay attention to:** non-Veteran's signature frequently appearing on company documents; non-Veteran frequently referenced as point of contact for the applicant
- **Summary of findings:**

Experience of Veteran Manager

Issue satisfied?:

- **Requirement:** One or more Veterans must have the managerial experience and requisite management capabilities necessary to run the applicant.
- **Reference:** 38 CFR § 74.4(b)
- **Possible documents to review:** Résumé; Trade licenses; online research results
- **Pay attention to:** Experience of non-Veteran owner(s)
- **Summary of findings:**

Full-time Management by Veteran

Issue satisfied?:

- **Requirement:** One or more Veterans must work full-time for the applicant or submit a written statement explaining how outside employment will not have a significant impact on the owner's ability to manage and control the applicant.
- **Reference:** 38 CFR § 74.4(c)(1) & (c)(3)
- **Possible documents to review:** Résumé; 1040 tax returns; W-2s; Payroll; online search results
- **Pay attention to:** Employment outside the applicant; accountability of working hours
- **Summary of findings:**

Highest Officer Position

Issue satisfied?:

- **Requirement:** A Veteran must hold the highest officer position (usually President or CEO for a corporation)
- **Reference:** 38 CFR § 74.4(c)(2), (d), (e)
- **Possible documents to review:** Bylaws/Operating Agreement; Meeting Minutes
- **Pay attention to:** non-Veteran listed as CEO or President
- **Summary of findings:**

Control of Applicant Decision-making

Issue satisfied?:

- **Requirement:** One or more Veteran(s) must be able to control applicant decision-making without requiring the presence or asset of a non-Veteran. One or more non-Veterans cannot outvote the Veteran(s).
- **Reference:** 38 CFR § 74.4(d)-(f), (i)(1) & (g)(1)
- **Possible documents to review:** Bylaws/Operating Agreement; Meeting Minutes
- **Pay attention to:** Shareholder voting requirements (for corporation); Board of Directors decision-making & quorum requirements (for corporation); Member voting requirements (for LLC); Manager decision-making requirements (for LLC); Partnership voting requirements (for Partnership)
- **Summary of findings:**

Highest Paid**Issue satisfied?:**

- **Requirement:** The Veteran must be the highest paid employee or submit a written statement explaining how not being the highest paid employee benefits the company.
- **Reference:** 38 CFR § 74.4(g)(3)
- **Possible documents to review:** 1040 tax returns; W-2s; Payroll
- **Pay attention to:** non-Veterans paid more than Veteran owner(s)
- **Summary of findings:**

Undue Influence/Undue Dependence**Issue satisfied?:**

- **Requirement:** The applicant must be able to stand on its own without undue influence from or dependency on a non-Veteran or other entity
 - **Reference:** 38 CFR § 74.4(i)(4)
 - **Possible documents to review:** Résumé; Business taxes; Personal taxes; franchise agreement; online research results
 - **Pay attention to:** co-location or shared assets with another entity (space, personnel, etc.); common ownership/management with another entity; excess dependence on the resources of another company to conduct business; excess dependence on the skills/abilities of a non-Veteran to conduct business
 - **Summary of findings:**
-

Examiner's Recommendation (check one):

1. Approve:

2. Deny:

- Examiner's reason(s) for recommending denial:

3. Additional Review:

- Examiner's reason(s) for recommending additional review:

APPENDIX B

Documents Required for Complete Application

| Documents to Review | | Sole Prop | Part | LLC/LLP | Corp | JV |
|---|--|-----------|------|---------|------|----|
| General Information: | | | | | | |
| Business and/or personal professional, industry, and/or other licenses, permits or accreditations | <p>Description - Licenses are issued after determining applicant is in compliance with all City, County and State Statutes and Ordinances. They are then authorized to operate the specific type of business identified on the license.</p> <p>Review – Review to determine if the company is operating the “type” of business legally in the state where it is chartered to perform services. Also, the legality of the tenant space can be verified against the address listed on the license. If not the same, It is important to investigate whether the company has moved its location.</p> | X | X | X | X | X |
| Resumes of all owners, directors, partners, officers and other key personnel | <p>Description - Typically a one-to-two page document listing the highlights of an individual’s career, education, personal information, etc. Can be cross checked and verified.</p> <p>Review – The Veteran’s applicant’s resume should have enough and sufficient information that identifies that he has the prerequisites, qualifications, and knowledge to operate and manage the type of company as identified in the business license.</p> | X | X | X | X | X |
| Businesses with Security “SCIF” or “Vault | <p>Description - A SCIF or Top Secret facility is a container, room or building where classified material is stored or handled. The Security Officer’s oversee access to this facility.</p> <p>Review – The Veteran or person who has majority control of the company will usually be listed as the Primary Security Officer or as the alternate for access to these facilities. This is more prevalent in small to mid-size (up to 100 employees) companies.</p> | X | X | X | X | X |
| Financial Information: | | | | | | |

| Documents to Review | | Sole Prop | Part | LLC/LLP | Corp | JV |
|--|---|-----------|------|---------|------|----|
| IRS Federal tax form 1040 and the attached Schedule C for the past three years | <p>Description - IRS form to identify Profit or Loss for Sole Proprietorship. Identifies the proprietor, principal business and the name of the business. An individual in business for themselves, or who carry on a trade or business as a sole proprietor or an independent contractor generally file a Schedule C with IRS Form 1040. Partnerships, joint venture s, etc., generally must file Form 1065.</p> <p>Review – The Schedule “C” will provide the name of the proprietor on the first line of the schedule, the business name on line “C” and address on Line “E”, the company’s gross sales in Part I, line 1; as well as the net profit/loss on line 31 which is includable in individual’s personal tax return; the business income loss or gain must be recognized on line 12. If this is all filled out and is paying taxes; then proprietor has reported t IRS that he wholly owns company.</p> | X | | | | |
| IRS Federal Tax Form 1065 and corresponding K-1 for past three years. | <p>Description - The 1065 (Partnership tax return) identifies the partners’ share of income or loss from a partnership. The Schedule K-1 requires the partnership name, address, partnership EIN, partners identification number, partner's name and address, partner's share of liabilities, taxable income from passive activities, taxable income from other activities, qualified dividends, net capital gain (loss) from passive activities, net capital gain (loss) from other activities, net passive AMT adjustment, net other AMT adjustment, general credits, low income housing credits and any other information the partnership needs to include. Of importance, Box G identifies the type of partner.</p> <p>Review – Box G provides the partner with two choices to check; (1) General partner or LLC member-manager or (2) Limited partner or other LLC member. To identify that they are the controlling manager, they must check the first box indicating that they are “General partner or LLC member-manager.” Box J will also identify his profit, loss, and Capital percentages both at the beginning and year end statement. These percentages are generally based on the Partnership agreement.</p> | | X | | | |

| Documents to Review | | Sole Prop | Part | LLC/LLP | Corp | JV |
|--|--|-----------|------|---------|------|----|
| Appropriate IRS tax form filed; If filed as Sole Proprietorship (<u>Schedule C</u>), partnership (Federal tax form 1065 and K-1); or S Corporation (1120S and K-1) for the past three years. | <p>Description - See Sole proprietorship, Partnerships, and S corporation for appropriate description of IRS forms. IRS Form 1120-S K-1 identifies the shareholder's income from an S-Corporation.</p> <p>Review – See appropriate IRS filing.</p> | | | X | | |
| Federal tax form 1120S and corresponding K-1 for the past three years | <p>Description - Schedule K-1 of Form 1120S is used to report each shareholder's pro-rated share of net income or loss from an S-Corporation, along with various separately stated income and deduction items. The S-Corporation nets non-separately stated income and expenses, and reports the net income or loss to shareholders. The profit or loss is allocated in strict proportion to the shareholder's percentage of ownership in the S-Corporation. Box F identifies the Shareholder's percentage of stock ownership for tax year.</p> <p>Review – Part I identifies the Corporation's name and address. Part II identifies the shareholder's name and address. Part II, Box F identifies the shareholder's percentage of stock ownership for the corresponding tax year</p> | | | | X | |
| For Joint Ventures, applicable Federal tax returns based on business type (see above) for the last three years for each participant | <p>Description – Use the descriptions above for the applicable business types.</p> <p>Review – Use the review guidance above for the applicable business types.</p> | | | | | X |

| Documents to Review | | Sole Prop | Part | LLC/LLP | Corp | JV |
|--|--|-----------|------|---------|------|----|
| Signature cards authenticated by financial institutions (Banks/Credit Unions/etc.) | <p>Description - Card that a customer signs when opening an account at a financial institution. It identifies the depositor. A corporate signature card bears the names of the firm's officers authorized to sign checks or transfer funds.</p> <p>Review – The bank signature card identifies who within the company has the authority to authorize and sign checks on behalf of the company. The Veteran applicant's who owns the company should have authority on this. There may be two people with authority but the owner is usually the one with the “unlimited” expressed authority.</p> | X | X | X | X | X |
| Copies of approximately 20 negotiated company checks. | <p>Description - A written order by the business directing a bank to pay money. Normally signed by owner or CFO depending on authorization limits.</p> <p>Review – Determine if the owner signed and authorized the majority of the checks written on behalf of the company; to include those of substantial value as designated by the bank signature cards.</p> | X | X | X | X | X |
| Management Information: | | | | | | |
| Lease, Management and Services agreements, to include supporting payments | <p>Description - The lease agreement is an agreement between a landlord and tenant that sets out the terms under which a tenant may occupy and use a commercial property. It also creates a legal right for the tenant to occupy the property. Other types of agreements are similar. The supporting payments (checks, etc.) are documentation the agreements are in effect.</p> <p>Review – Determine who signed the lease, management, or service agreements legally binding the applicant company. Review 2-3 random months of checks to validate that the Veteran applicant company is actually making payment for the binding services.</p> | X | X | X | X | X |

| Documents to Review | | Sole Prop | Part | LLC/LLP | Corp | JV |
|---|---|-----------|------|---------|------|----|
| Operating Agreement including all amendments | <p>Description - An agreement among Limited Liability Company (LLC) members governing the LLC's business and their financial and managerial rights and duties. Many states require a LLC to have an Operating Agreement. Operating Agreements generally address the members percentage interests in the LLC, rights and responsibilities, voting powers, how profits and losses will be allocated, how the LLC will be managed, rules for holding meetings and taking votes, and buy-out and sell provisions, which determines what happens when a member wants to sell his interest, dies, or becomes disabled.</p> <p>Review – Review the Operating Agreement to determine that the Veteran applicant has full expressed written authority to make all final decisions regarding the operations of the company and authority to bind the company on all contracts. The Veteran applicant should have sole expressed authority per the Operating agreement without consent of the limited partners or shareholder's.</p> | X | X | X | X | X |
| Legal Structure: | | | | | | |
| Ownership voting (i.e. proxies and voting trust agreements) | <p>Description - May be part of the partnership agreement or a separate agreement which identifies the percentage of voting rights for decision within a company's operations.</p> <p>Review –Voting rights must count at least 51% of the total votes. This can be validated in the minutes of Stockholder's or Board of Director's meetings.</p> | | X | X | X | X |
| Partnership Agreement, including all amendments | <p>Description - A written agreement which identifies the nature of the business, capital contributed by each partner, and their rights and responsibilities. Partners are jointly and severally liable for the debts of the firm. Even on withdrawing from the partnership they remain liable for already incurred debts. The Partnership Agreement is also referred to as an agreement of partnership or articles of partnership. __</p> <p>Review – Verify debt instrument (check, etc.) used to make purchase or investment into company. Can also be validated on the 1065 K-1 Box J for partnerships which will show percentage of capital for corresponding tax year. The two percentages for capital should correlate and be the same. __</p> | | X | | | |

| Documents to Review | | Sole Prop | Part | LLC/LLP | Corp | JV |
|---|--|-----------|------|---------|------|----|
| Shareholders Agreement, including all amendments | <p>Description - An employment agreement among the shareholders of a small corporation permitting a shareholder to take a management position with the corporation without any claim of conflict of interest or self-dealing against the shareholder/manager. Such agreements are common when there are only three or four shareholders.</p> <p>Review – The Shareholder agreement will unequivocally identify the managing partner of the corporation, their responsibilities, and their rights as the managing partner. Their rights should authorize them to make prevailing managerial decisions without authorization from other shareholders.</p> | | X | X | X | X |
| Equity participation or equity plans, restricted stock or ownership interests or options for stock or ownership interest or plans | <p>Description - An employer must prepare an equity plan which complies with the requirements set forth in the Employment Equity Act. The plan must set out the positive policies and practices that the employer intends to institute in the following one to three years to correct the under-representation of designated group members which has been identified in the workforce analysis.</p> <p>Review – Identifies equity ownership and who has can authorize the granting of equity.</p> | | | X | X | X |
| Official Certificate of Formation and Operating Agreement with any amendments | <p>Description - Identifies the general purposes for which the Corporation is formed are to exercise the rights and powers and to perform the duties and obligations of the Corporation, in accordance with the Declaration, the Bylaws of the Association.</p> <p>Review – Identifies the rights and powers of the corporation and who is authorized to make and carry out such powers. The Veteran applicant must have expressed authority of at least 51%, if identified.</p> | X | X | X | X | |
| Minutes of first and most recent stockholder and Board of Directors meetings | <p>Description - Minutes are considered legal documents by auditors, IRS and courts, and they represent the actions of the board. Many assert that if it's not in the minutes, it didn't happen. They should include the name of the organization, date and time of meeting, who called it to order, who attended and if there a quorum, all motions made, any conflicts of interest or abstainments from voting, when the meeting ended and who developed the minutes.</p> <p>Review – The minutes should be reviewed with respect to voting and whether or not the Veteran applicant was allowed to substantially operate and control the company. His voting rights and statements per the Operating agreement should give him control of managerial decisions. As such, this should be reflected in the minutes of the Stockholder's and Board of Director's meetings. Also, should review minutes to verify that none of the Veteran applicant's powers were taken away from him.</p> | | X | X | X | |

| Documents to Review | | Sole Prop | Part | LLC/LLP | Corp | JV |
|---|---|-----------|------|---------|------|----|
| All corporate bylaws and all amendments | <p>Description - Bylaws governing the organization and company</p> <p>Review – Company laws outlining governance of the company and who controls and operates it and how it is operated.</p> | | X | X | X | |
| Articles of Organization for LLC's, including all amendments | <p>Description - A document required to be filed with an appropriate state or local government agency, in order to establish legal recognition of a Limited Liability Company (LLC). Articles of organization closely parallel articles of incorporation needed for legal creation and recognition of corporations.</p> <p>Review – May or may not identify the Veteran applicant. May only identify the Registering Agent which may not be the Veteran applicant. Usually will identify the Board of Directors, usually the operating manager or President is on the Board of Directors which should be the Veteran applicant.</p> | | | X | | |
| Articles/certificate of incorporation file with the Secretary of State including all amendments | <p>Description - Also referred to as the Certificate of Incorporation (or the Corporate Charter) they are the primary rules governing the management of a corporation. They include the name, names of persons organizing the corporation, stock shares authorized for issuance, Board of Directors, and location.</p> <p>Review – May or may not identify the Veteran applicant. May only identify the Registering Agent which may not be the Veteran applicant. Usually will identify the Board of Directors, usually the operating manager or President is on the Board of Directors which should be the Veteran applicant.</p> | | | | X | |
| Joint Venture Agreement and current opportunity on which joint venture is bidding | <p>Description - A written agreement which identifies the nature of the joint venture (JV), capital and resources contributed by each JV, and their rights and responsibilities. The current opportunity is what the JV is bidding on and is one of the underlying reasons for formation.</p> <p>Review – May or may not identify the Veteran applicant. Veteran applicant must exert majority control of the JV over management decisions and day-to-day operations. Veteran applicant must own a majority of the JV in terms of revenue received from the JV. __</p> | | | | | X |

| Documents to Review | | Sole Prop | Part | LLC/LLP | Corp | JV |
|--|--|-----------|------|---------|------|----|
| Stock registers for Applicant or stock ledgers showing listing all shares of issuance. | <p>Description - A stock ledger is used to record the owners of a corporation or LLC. Stock certificates are issued to shareholders in a corporation and certificates of ownership are issued to members/managers in an LLC. All certificates must be tracked regardless of how old they are. It will include the name of the shareholders, number of the certificates, number of shares issued to a particular shareholder, who sold the shares to the shareholder, and the type of stock issued to the shareholder.</p> <p>Review – Identify the total number of stocks “issued” within the company; to include the total number issued to the Veteran applicant. His total number of shares issued divided by the overall number will provide the percentage of the company issued to him for ownership. This percentage should be at least 51% or greater unless surviving spouse involved. ____</p> | | X | X | X | |

